

IN THE MATTER OF  
THE IMPASSE DISPUTE

Between

THE CITY OF ELDRIDGE, IOWA,

Employer,

And

ELDRIDGE PUBLIC SAFETY ASSOCIATION,

Association.

**ARBITRATION AWARD**

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PUBLIC EMPLOYMENT  
RELATIONS BOARD

APPEARANCES

For the Employer

Robert P. Boeye – Attorney  
John Dowd – City Administrator

For the Association

David Cunningham - Attorney  
Timothy Ells – Police Officer  
Brian Carsten – Police Sergeant

In accordance with the provisions of Chapter 20 of the Iowa Code, this Arbitrator was selected by the parties and appointed by the Iowa Public Employment Relations Board to hear and decide the issues which were at impasse.

By agreement of the parties, the arbitration hearing was held on February 22, 2005, at 9:00 a.m., at the Eldridge City Hall, Eldridge, Iowa. The hearing was electronically recorded. The parties stipulated that there was no dispute as to the arbitrability or negotiability of the items presented to the Arbitrator, except for an objection by the Employer to the negotiability of Association's final offer of a three year agreement. No subpoenas had been requested and no stenographic recording had been requested. The parties agreed to submission of the matter to a single arbitrator rather than to a panel of three arbitrators. It was agreed that the Association would proceed with its presentation first.

In the course of the hearing, both parties submitted their evidence and were given full opportunity to present argument and rebuttal. The parties chose not to submit post-hearing briefs and the hearing was closed at 11:35 a.m. The award set forth below

is based upon the Arbitrator's weighing of all of the facts and arguments submitted, even those which are not specifically referred to herein.

### **EXHIBITS**

Employer – Tabs 1 through 10.

Association – Exhibits 1 through 19 and bargaining agreements for the cities of Eldridge and Pleasant Hill.

### **ISSUES AT IMPASSE**

The following issues were presented to the Arbitrator in the final offers of the parties.

**Issue 1.**      **Wages – Article VI.** The Association seeks an increase of 5.5 percent across the board in each of the next three years. The Employer proposes a 3.1 percent increase on July 1, 2005.

**Issue 2.**      **Insurance – Article XIV.** The Association proposes to maintain the current contract language. The Employer proposes a minor language change and an increase in the employees' maximum out-of-pocket expense for covered medical care from \$325 to \$750 for an individual, and from \$650 to \$1500 for a family.

**Issue 3.**      **Dates – Preamble.** The Association put forward no proposal on the preamble issue. The Employer proposes changing dates, presumably from May 1, 2003 to the date the future contract is signed.

**Issue 4.**      **Education – Article XVI.** The Association proposes a change in the reimbursement formula for authorized educational courses. The Employer proposes the same reimbursement formula with accompanying language changes to accommodate the revised reimbursement formula.

**Issue 5.**      **Holiday Pay – Article X.** The Association proposes that members be paid time-and-a-half for holidays on which they actually work. The Employer proposes maintaining the current contract language of pay at their normal hourly rate for holiday work.

**Issue 6.**      **Longevity – Article VI.** The Association proposes adding a longevity schedule providing for a longevity pay addition to base pay of \$520 per year after five years of employment, plus an additional \$520 per year after each subsequent five years of employment. The Employer proposes maintaining the status quo of a longevity bonus of \$520 after five years of employment, and after each five years of employment

thereafter. The Association's proposal on this issue was withdrawn prior to the arbitration hearing.

**Issue 7. Shift Differential – Article VI.** The Association proposed increasing the shift differential from the current 15 cents per hour to 30 cents per hour for individuals working the second, third, and "power" shifts. The Employer proposed maintaining the current contract language.

### **BACKGROUND**

The City of Eldridge is located in Scott County, Iowa, with a population of 4,159. It is on the northern edge of the Quad City metroplex and has seen rapid residential growth in recent years. The Association represents six employees, all police officers, including one sergeant. Over the last five years, the parties have had two collective bargaining agreements, one of three years and one of two years duration.

The parties could not agree on a comparability group; the Association proposing three cities as comparable and the Employer proposing six cities as comparable.

### **DISCUSSION**

By statutory mandate, the Arbitrator must choose between the Association's final offer and the Employer's final offer on each issue at impasse. The Iowa Code further provides that the Arbitrator must select, without alteration, the most reasonable of the positions on each of the items at impasse and consider the statutory criteria in arriving at the decision as to which is the most reasonable. The statutory criteria specified in Iowa Code Section 20.22(9) include:

- a. Past collective bargaining contracts and bargaining history;
- b. Comparison of wages, hours, and conditions of employment of the involved public employees with those of other public employees doing comparable work, giving consideration to factors peculiar to the area and classifications involved;
- c. The interests and welfare of the public, the ability of the employer to finance the costs involved and the effect of such costs on the normal standard of services;
- d. The power of the public employer of levying taxes and appropriate funds for its operations;
- e. Any other relevant factors.

## **ASSOCIATION'S POSITION**

**Issue 1.**     **Wages.** In support of its offer of a 5.5 percent across the board wage increase in each of the next three years, the Association argues that Eldridge police officers are undercompensated and that the final offer or the Association is an attempt to reach a wage level comparable to the average wage for police officers in cities in their proposed comparability group. The comparability group proposed by the Association consists of Pleasant Hill, Windsor Heights, and Waukee.

The Association believes that these three cities are an appropriate comparability group because of similar population, similar average housing cost, similar tax valuation, and similar property tax level (Association Exhibit 1). All three cities are also near major metropolitan areas. Comparing the Eldridge wage for a career of 25 years with the average wage for the three cities in the asserted comparability group for the same period shows that Eldridge is below average in each year except the starting wage. Totaling the 25 years, the Eldridge wage is 18.8 percent below the average (Association Exhibit 9). The Association also points to the fact that nonbargaining unit employees received substantial wage increases in the past few years as the Employer attempted to bring those wages even with comparable cities (Association Exhibit 13).

**Issue 2.**     **Insurance.** The Association seeks to maintain the status quo on insurance language. The Association believes that adopting the Employer's proposal would result in a potential cost increase to employees which would exceed any wage increase they might receive. In comparing Eldridge to the Association's comparability group, the Association believes that Eldridge employees currently pay more in monthly premiums than comparable employees in other cities (Association Exhibit 15). The Association also believes that it would be unfair to change the employee contribution for the bargaining unit while not making the same change for nonbargaining unit employees.

**Issue 3.**     **Preamble.** The Association makes no proposal related to preamble dates.

**Issue 4.**     **Education.** The Association agreed to the Employer's proposal on education.

**Issue 5.**     **Holiday Pay.** The Association proposes payment for time worked on holidays to time-and-a-half rather than the current language providing for payment at the employee's normal hourly rate. In its three city comparability group, and in the Employer's six city group, the Association members rank last, with the other cities paying time-and-a-half and double time for holiday work (Association Exhibit 17).

**Issue 6.**     **Longevity.** The Association withdrew its proposal on longevity.

**Issue 7. Shift Differential.** The Association argues in favor of an increase in the shift differential from 15 cents per hour to 30 cents per hour. In support of its offer, the Association outlined the system in operation in Eldridge, consisting of four shifts: 1<sup>st</sup>, 2<sup>nd</sup>, 3<sup>rd</sup>, and "power" (both day power and night power). All shifts but the first shift from 8:30 a.m. to 4:30 p.m. receives the shift differential. The Association submitted comparability data showing no shift differentials in the three city or six city comparability groups (Association Exhibit 19).

### **EMPLOYER'S POSITION**

**Issue 1. Wages.** The Employer argues that the Arbitrator must accept the Employer's offer as the most reasonable because the Association's proposal incorporates a three-year contract term which is not a mandatory subject of bargaining and which the Arbitrator cannot choose. The Employer asserts that its offer of a 3.1 percent general wage increase is supported by data from a six-city comparability group. The comparability group proposed by the Employer consists of Mt. Vernon, West Burlington, Evansdale, plus the three cities suggested by the Association. Like the Association's comparability group, all are in the plus 25 percent/minus 25 percent population size group. The Employer also urges its comparability group based upon average housing cost and taxable valuation (Employer Tab 2).

In support of its wage offer, the Employer cites the history of wage increases over the past five years which are significantly in excess of the increase in the CPIU (Employer Tab 3, pp. 1 and 2). The Employer argues that the wage increase offered is higher than all but one of the cities in its comparability group and is above the average of the increases in that comparability group (Employer Tab 3, p. 6).

**Issue 2. Insurance.** In support of its proposal to increase the maximum out-of-pocket expense to be borne by Association members, the Employer asserts that Eldridge is well below average when compared to the six city comparability group and is currently just slightly higher than the out-of-pocket maximum required by the lowest city (West Burlington) in the comparability group (Employer Tab, p. 1). The Employer believes that adoption of its proposal would bring Eldridge closer to the average and would still leave Eldridge in the lower half of the comparability group.

**Issue 3. Preamble.** The City's offer on the preamble merely reflects the change in date of the upcoming collective bargaining agreement.

**Issue 4. Education.** The Employer offers language to implement the change in the reimbursement formula for education that has been agreed to by the parties.

**Issue 5. Holiday Pay.** The Employer acknowledges that its offer of the status quo is less than the other cities in its comparability group, but resists the Association's proposal on the grounds that the cost of the Association's proposal is a \$2070 increase

from the current cost for holiday pay which represents a 50 percent increase (Employer's Tab 7, p. 2).

Issue 6. Longevity. The Association, having withdrawn its longevity proposal, and the Employer's offer being to maintain the status quo, results in this issue being rendered moot.

Issue 7. Shift Differential. The Employer argues in favor of maintaining the status quo on the basis that only one other city in the comparability group pays a shift differential and not one of the three cities in the Association's comparability group pays a shift differential (Employer Tab 6, p. 1). It also asserts that adoption of the Association's proposal would mean a 100 percent increase in the cost of the shift differential component (Employer Tab 6, p. 2).

## **FINDINGS OF FACT**

### **ISSUE 1 – WAGES**

1. Past Collective Bargaining and Contracts. The recent history of bargaining between the parties shows wage increases equal to or greater than other cities in both comparability groups. These increases for the Association, plus the apparent desire to stay wage competitive in nonbargaining unit positions as well, indicate a clear desire on the part of both parties to keep wage compensation at a competitive level.

2. Comparability. The three-city comparability group offered by the Association appears to be unduly restrictive. It also appears that Pleasant Hill and Windsor Heights distort the averages in a way that is not conducive to proper comparability. These two cities have larger bargaining units (11 members and 10 members, respectively) as well as larger populations and have close proximity to the largest city in Iowa. While it is not inappropriate to include these cities in a comparability group, the group should be a larger group to temper the impact of the larger city and larger bargaining units. With that background, it appears to the Arbitrator that the comparability group suggested by the Employer is more appropriate. In that comparability group, the wage increase offered by the Employer for 7/1/05 is above average and second only to Windsor Heights. The Association's offer of 5.5 percent is not in line with the other increases in the comparability group.

3. Ability to Pay. The Employer has not argued an inability to pay.

4. Ability to Tax. The Employer has not argued an inability to tax.

5. Other Relevant Factors. None.

## **ISSUE 2 – INSURANCE**

1. Past Collective Bargaining and Contracts. The parties provided no information on this issue relating to bargaining history or previous contracts except to indicate that the Employer's proposal was a departure from the previous contract.

2. Comparability. The comparability data provided by the Employer indicates that Eldridge ranks at the top or near the top in both comparability groups with respect to the maximum out-of-pocket for both single and family medical insurance plans in terms of benefit levels. It appears that the Employer's proposal would change that ranking to bring Eldridge even with Mt. Vernon. The Employer's proposal would bring Eldridge closer to the average among the Employer's comparability group and the Association's comparability group. That fact, by itself, does not constitute sufficient justification to take away a benefit previously negotiated by the parties. With the exception of the inconclusive data from the comparability groups, the Employer has made no showing of need to change the current contract language or level of benefits provided thereunder.

3. Ability to Pay. The Employer has made no argument of inability to continue to pay the current level of benefits.

4. Ability to Tax. This element of the criteria is not applicable to this discussion.

5. Other Related Factors. None.

## **ISSUE THREE – DATES (PREAMBLE)**

Discussion of the criteria is not necessary due to the absence of any Association proposal on this issue.

## **ISSUE FOUR – EDUCATION**

Discussion of the criteria is not necessary due to the parties' agreement on the proposed contract language.

## **ISSUE FIVE – HOLIDAY PAY**

1. Past Collective Bargaining and Contracts. The parties provided no information on this issue relating to bargaining history or previous contracts except to

indicate that the Association's proposal was a departure from the previous contract. No evidence has been provided of any difficulty in securing personnel for holiday work.

2. Comparability. The comparability data provided by both the Association and the Employer indicates that the cities in both comparability groups with the exception of West Burlington, provide at least time-and-a-half pay for holiday work.

3. Ability to Pay. No argument has been made by the Employer relating to ability to pay.

4. Ability to Tax. No argument has been made by the Employer regarding ability to tax.

5. Other Related Factors. None.

### **ISSUE SIX – LONGEVITY PAY**

Discussion of this issue is not necessary due to the withdrawal by the Association of its final offer on the issue.

### **ISSUE SEVEN – SHIFT DIFFERENTIAL**

1. Past Collective Bargaining and Contracts. The Association has not shown any compelling need for a change in the language related to increasing the shift differential. No evidence was provided of any inability to staff the 2<sup>nd</sup>, 3<sup>rd</sup>, or power shifts without the increase in shift differential.

2. Comparability. The comparability data provided by both parties indicates that of the proposed comparable municipalities, only Evansdale provides any shift differential. The data does not support any change in the current contract language.

3. Ability to Pay. This element of the criteria is not applicable to this discussion.

4. Ability to Tax. This element of the criteria is not applicable to this discussion.

5. Other Related Factors. None.

### **CONCLUSIONS OF LAW**

In accordance with the statutory criteria imposed upon the Arbitrator, the Arbitrator determines as follows:



Issue 1.      **Wages.** The Employer's proposal of a 3.1 percent across the board wage increase effective July 1, 2005, is the most reasonable of the proposals and is adopted.

Issue 2.      **Insurance.** The Employer's proposal, which has the potential effect of significantly increasing the employee contribution towards health care costs is a significant change from the current contract for which there is no showing of compelling need based on comparability or ability to pay. The Association's proposal of maintaining the current contract language is the most reasonable of the proposals and is adopted.

Issue 3.      **Dates.** The Employer's proposal of a change in the preamble to reflect the dates of the new contract is the most reasonable of the proposals and is adopted

Issue 4.      **Education.** The Arbitrator adopts the agreement of the parties to a change in the contract language as proposed by the Employer in its final offer.

Issue 5.      **Holiday Pay.** The comparability data showing better holiday pay in most of the cities in the comparability groups is compelling and sufficient to establish a need to change the holiday pay terms to bring Eldridge in line with the other cities. The Association's proposal of 1 ½ times the normal hourly rate for holiday work is the most reasonable of the proposals and is adopted.

Issue 6.      **Longevity.** The Association having withdrawn its final offer on longevity, the Employer's proposal of maintaining the current contract language is adopted.

Issue 7.      **Shift Differential.** The Association having shown no compelling need for an increase in the shift differential and the comparability data showing the absence of any shift differential in all but one city, the Employer's proposal of maintaining the current contract language is the most reasonable of the proposals and is adopted.

DATED THIS 7<sup>th</sup> day of MARCH, 2005.

  
JAMES A. O'BRIEN, Arbitrator

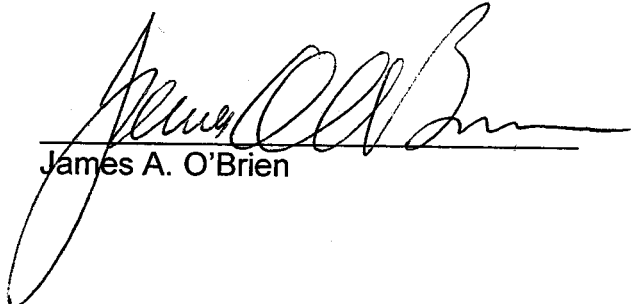
**CERTIFICATE OF SERVICE**

I certify that on the 7<sup>th</sup> day of March, 2005, I served the foregoing Award of Arbitrator upon each of the parties to this matter by mailing a copy to them at their respective addresses as shown below:

Robert Boeye  
506 15<sup>th</sup> Street  
Moline, IL 61265

David Cunningham  
224 18<sup>th</sup> Street, 4<sup>th</sup> Floor  
Rock Island, IL 61204

I further certify that on the 7<sup>th</sup> day of March, 2005, I will submit this Award for filing by mailing it to the Iowa Public Employment Relations Board, 510 East 12<sup>th</sup> Street, Suite 1B, Des Moines, IA 50319-0203.



James A. O'Brien